



**ANNEXATION REPORT  
AND  
PLAN FOR PROVIDING SERVICES**

**PROPOSED ANNEXATION NO. 111 – UNIVERSITY CITY**

CITY OF RIVERSIDE

COMMUNITY DEVELOPMENT DEPARTMENT

**Annexation Study and Plan for Providing Services  
City of Riverside Annexation No. 111 (P06-0742)**

**INTRODUCTION**

Proposed Annexation No.107 (P06-0742) of University City is located southerly of Central Avenue, west of Sycamore Canyon Boulevard, north of the City limits of Riverside and east of the City limits as well. The annexation boundaries encompass approximately 106 acres. This report has been prepared to provide the City of Riverside, affected property owners, the Riverside County Local Agency Formation Commission (LAFCO), and other interested persons with information concerning government functions, services costs, and revenues in order to facilitate the decision making process. Included in this report are a brief description of the area, City annexation policy, a comparison of the current level of services and facilities with those that would be provided should the area be annexed as well as capital and staffing needs to accommodate the annexation at a level of service enjoyed by and expected by current residents of the City of Riverside as of June, 2006.

**SUMMARY OF FINDINGS**

The following findings are elaborated in the body of this report:

### **Advantages:**

1. The proposed annexation increment lies within the general area, which has been designated by the City Council, Planning Commission and the Riverside County Local Agency Formation Commission as being potentially suitable for service by the City of Riverside through annexation.
2. Although not an island, this annexation area is a small pocket of developed unincorporated land primarily surrounded by the City of Riverside. From a logistical standpoint, this area is in a position to be better served by the City.
3. Annexation would not adversely impact the City of Riverside through the extension of needed infrastructure and services.
4. The City of Riverside would provide a higher level of municipal services to the residents of the annexation area. Such services include paramedic, law enforcement, code enforcement, local parks, and recreation programs.
5. The residents of University City would realize an annual cost savings by joining the City of Riverside as a result of the elimination of the non-resident water customer surcharge and lower electric rates.
6. The staff recommended pre-zoning of WC (Water Course), R-1-100 (Single Family Residential Zone, 10,500 Square Feet Lot Minimum), and RC (Residential Conservation Zone) land use designations will provide for the logical expansion of the City in a manner that is consistent with long term land use planning for this area. Under the proposed 2025 zoning code, the designations will correspond to the existing zoning code, using the designations of PF-WC (Public Facilities, Water Course Overlay Zone), R-1-10,500 (Single Family Residential Zone, 10,500 Square Feet Lot Minimum), and RC (Rural Conservation Zone).
7. The land is currently designated RLD (Low Density Residential) and NOS (Natural Open Space) in the General Plan for the City's sphere of influence. The proposed 2025 General Plan has designated this area as LDR (Low Density Residential) and P (Parks). The 2025 designations are consistent with the pre-zoning designations and largely consistent with the County General Plan land use designations.

### **Disadvantages:**

1. None identified at this time.

## **DESCRIPTION OF PROPOSED ANNEXATION AREA**

The description that follows is depicted on Exhibits 1 and 2 (Area Map and Area Photos). The entire annexation area consists of approximately 106 acres southerly of Central Avenue, west of Sycamore Canyon Boulevard, north of the City limits of Riverside and east of the City limits as well. The area is a significantly built out with 171 single family homes, with a corridor of open space along the northern boundary. It is estimated that the current population is approximately 534.

The annexation area contains 202 separate parcels of land. There are 257 registered voters within the annexation area. As defined by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, if an area contains greater than 12 registered voters, the area is defined as inhabited. The City has received response from 41.25% of the registered voters within the annexation area with 80.3% in support of joining the City of Riverside. On December 6, 2005, the City Council directed the preparation of necessary reports to develop the documentation required for annexation of this territory.

## **ANNEXATION LAW**

LAFCO is authorized by State law as the agency responsible for approving annexations to a City. Initial public hearings on an annexation proposal are held by LAFCO where the matter is either approved, disapproved, or modified. If after reviewing the annexation application, LAFCO determines that the annexation process should continue LAFCO will be designated the conducting authority to proceed with the annexation process. Prior to acceptance of an application, LAFCO requires pre-zoning by the affected agency and an environmental review. Further, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires that the City submit to LAFCO a plan for providing services to the Annexation. For annexations larger than 100 acres, an economic analysis is required as well. This report satisfies the plan for services requirement.

If, after reviewing the application, LAFCO determines that the annexation process should continue, LAFCO will be designated the conducting authority. In the event that 100% of the registered voters and property owners are in agreement with the annexation, no further notices or hearings will be required. If 100% support is not achieved (which in this case is likely), LAFCO would hold a protest hearing, in which all landowners and registered voters have an opportunity to voice their opposition to the annexation in the form of a written protest.

According to Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56046), in an inhabited annexation, if written protests are filed and not withdrawn by more than 50% of the registered voters and property owners, the annexation is terminated by LAFCO. If written protests exceed 25%, but not 50%, the annexation is determined by a vote of the registered voters of the annexation area, to be conducted by the County Registrar of Voters. If written protests do not reach the threshold of 25%, the LAFCO Executive Officer shall issue a resolution approving the annexation.

The next step required after LAFCO approval would be a resolution accepting the annexation and an ordinance placing it in Council Ward 4. This will enable recordation of the annexation immediately upon approval by the City Council and receipt of \$2,000 from the City payable to the State Board of Equalization to complete the annexation.

### **ANNEXATION FEES**

For an annexation of approximately 106 acres, LAFCO has processing fees of \$8,000 due upon application and the State Board of Equalization has annexation processing fees of \$2,000 required after LAFCO approval. As the applicant, these fees are required to be paid by the City of Riverside. The City also pays County Recorder fees.

### **LONG-RANGE PLANNING**

The proposed annexation lies in an area identified for possible annexation in the City of Riverside's Sphere of Influence as adopted by the Riverside County Local Agency Formation Commission (LAFCO) and has been included in the City's long-range land use plans for many years.

Riverside's Municipal Code and LAFCO's policies call for "pre-zoning" areas before annexation. This permits planned future City zoning to be known by property owners and other concerned parties prior to finalization of any proposed annexation. Discussion of proposed zoning is included in the City Planning and Zoning section of this report.

### **COUNTY PLANNING AND ZONING**

Land uses in the annexation area are currently subject to the policies outlined in the Riverside County Comprehensive General Plan and Zoning Code. The land uses within the annexation area is shown on the Riverside County Comprehensive General Plan on Exhibit 3. The annexation area has designations of MDR (Medium Density Residential) for most of the area and OS-C (Conservation) in the northern region along Central Avenue.

Existing County zoning for the annexation area (see Exhibit 4) is a predominately R-1 (One Family Dwellings) with two lots having R-2-80 (Multi-Family Dwelling – 80 ft minimum width) near Sycamore Canyon Boulevard. The area designated OS-C in the County General Plan has been zoned C-P-S (Scenic Highway Commercial) and W-1-9 (Watercourse, Watershed, Conservation Area).

### **CITY PLANNING AND ZONING**

The City's General Plan (see Exhibit 5) land use designation for the annexation area is predominately RLD (Low Density Residential) with NOS (Natural Open Space) for the north and western area. This designation is not consistent with development that has occurred in the western portion of the annexation boundary. The City 2025 General Plan reflects this development by designating LDR

(Low Density Residential) throughout the annexation area with the exception of P (Parks) for the northern area.

Upon annexation, the area would be placed (see Exhibit 6) in the R-1-100 (Single Family Residence, 10,500 square feet minimum lot size), RC (Rural Conservation), and WC (Water Course) Zones. Under the proposed 2025 Zoning Code, the area would be placed in the corresponding R-1-10,500 (Single Family Residential, 10,500 square feet minimum lot size), RC (Rural Conservation), and WC (Water Course) Zones

The City and County General Plan and zoning are similar in their designated uses. Although there are some differences, both plans reflect the existing development and respect the open space area. One striking area of difference is the frontage along Central Avenue. Although the County has this zoned Commercial while in the Conservation land use area, the parcel is owned by the State of California and has been incorporated by Caltrans to re-configure Central Avenue and Sycamore Canyon Boulevard as part of their 60/215/91 Freeway project.

### **STREETS**

The streets currently on the County's Transportation system within the annexation area will be assumed by the City. Maintenance of these streets will be the responsibility of the City Public Works Department. Public Works anticipates the impacts to ongoing operations to be minimal. Public Works has identified approximately 2.84 miles of public roadway. In an assessment of the roads in the annexation area, the Public Works Department has determined that approximately 6,300 feet of road will require resurfacing within 1-2 years and the remaining 8,700 feet of roadway would likely need resurfacing in 5-6 years. This will be incorporated into the City's capital improvement program.

### **STORM DRAIN FACILITIES**

Local storm drains may be necessary within the proposed annexation area if the streets are unable to safely convey any storm flows. Capital costs for these local storm drains will be the responsibility of any future development within the annexation area. Operation and maintenance costs for the facilities will be the responsibility of the City and funded through General Fund sources. The impact on the General Fund for these maintenance costs should be minimal.

### **SEWAGE DISPOSAL**

All residences in the University City Neighborhood are currently on septic systems. This area is in the service area of the City of Riverside sewer system. There is currently adequate capacity to serve the University City neighborhood from a main line on the adjacent Sycamore Canyon Boulevard, if the residents so desire.

New facilities will be the responsibilities of property owners to fund the installation and connection to the sewer system. The City of Riverside is able to form an assessment district to finance the installation of such facilities.

## **WATER**

The proposed annexation area is currently within the retail service territory of the City of Riverside Public Utilities. This would not change as a result of annexation. The residents, upon annexation, would enjoy a cost savings on their water bill, as the City's 50% non-resident water surcharge would be eliminated. From an infrastructure standpoint, the residents at higher elevations of this neighborhood have been experiencing low water pressure recently. Riverside Public Utilities is currently planning an infrastructure upgrade of this neighborhood to alleviate this problem.

## **ELECTRIC POWER**

This annexation area is presently within the Southern California Edison (SCE) service area. After annexation, the City of Riverside Public Utilities (RPU) intends to acquire existing SCE facilities. This process includes a cooperative inventory and appraisal of existing facilities, as well as a condemnation and acquisition process. It is expected that this process take between one and two years to complete.

RPU estimates the costs to extend adjacent RPU facilities and take over existing SCE infrastructure at \$501,000. From this total, condemnation/severance costs are estimated to be \$479,000 and the extension of feeder structures and cable are estimated to be approximately \$22,000. The cost of any additional underground ducts and vaults that may be installed later due to new construction would be borne by the developers/property owners.

Residential users, depending on usage, will save between 17.38% and 74.68% on their electric bill as RPU customers. Revenues to the City and cost savings to the residents are discussed under separate cover in the economic analysis.

## **STREET LIGHTS**

Annexation of this area would also automatically annex property owners into the City of Riverside Street Lighting Assessment District. The proposed zoning and usage will result in a tiered parcel assessment for street lighting. The single-family homes will pay a rate of \$31.44 per year. This reflects a pro-rated parcel cost of street and public lighting throughout the entire City. The responsibility of providing additional new street lights, if necessary, in the annexation area would be assumed by existing residents or future development, subject to Riverside Public Utilities standards, at no cost to the City. The cost to power the street lights will be assumed by the Riverside Street Lighting Assessment District.

## **SOLID WASTE**

Under State law, the current provider will continue to provide solid waste service for five years or the life of the current contract, whichever is less. Public Resources Code section 49520 specifies that

service “shall be limited to the unexpired term of the contract or franchise or five years, whichever is less.” However, the current provider must “meet the quality and frequency of services required by the City of Riverside in other areas not served by the provider.” (Public Resources Code 49521, Section a). The City withholds its right “following annexation to terminate for cause a franchise, contract license, or permit held by a solid waste enterprise authorized by the county (Public Resources Code 49522).” Finally, the provider’s rates must comparable with City rates. If they are not, they may be required by the City of Riverside to adhere to such rates (Public Resources Code 49521, Section b). Upon the expiration of the contract, solid waste collection within the proposed annexation area will be handled either by City forces or by private contractors, who are both in a position to assume the additional territory associated with the annexation. In either event, the cost for collection services will be recovered through user fees with no impact on the City's General Fund. Upon annexation, the new City residents would be eligible to participate in recurring City solid waste programs such as “Free Drop Off at the Dump,” “Free Bulky Item Drop Off,” and “Free Household Hazardous Waste Drop Off” held throughout the year. On-going City waste programs include “Free Refrigerator Pickup and Disposal” and “Free Bulky Items Pick-Up.”

## **POLICE**

The Riverside County Sheriff, operating from the City of Moreno Valley, currently provides police service to this unincorporated area. Upon annexation, the subject properties would be in Riverside’s Police Reporting District (RD) K03 in the East Neighborhood Policing Area. Existing police facilities include Stations at 8181 Lincoln Avenue and 4102 Orange Street (see Exhibit 9). The Orange Station houses administration, dispatch, and booking; Lincoln Station houses patrol, property, and transportation maintenance. Officers are not dispatched from Lincoln Station, but rather patrol a defined area between calls-for services. For the period 9/1/2004 to 7/31/2005, the average response time to Priority One calls-for service within the City was 10.8 minutes. During weekday regular business hours, citizens may obtain information and services at the Lincoln and Orange Stations, or the UNET office at nearby University Village, however, officers are not generally assigned to each storefront.

The General Fund budget for the Riverside Police Department is \$77,285,064 and includes 394 full-time sworn officers and 169 civilian support staff. If annexed, the Riverside Police Department anticipates the need an additional staffing requirement of 0.8 sworn positions and 0.4 support staff personnel.

Response times to calls for police service are expected to be substantially faster than that currently provided to this area by the County Sheriff Department.

## **FIRE**

Fire protection services in the proposed annexation area are currently provided by the California Department of Forestry, contracted through Riverside County. Service response comes from the Towngate Station #6, located at 22250 Eucalyptus Avenue in Moreno Valley. The station is approximately 3 miles from the center of the annexation area. Current response time to the area is estimated to be approximately 7 to 8 minutes. The Towngate Fire Station is staffed by a four person engine company, including paramedics. This is currently a shared facility with the City of Riverside.

Upon annexation, fire protection to this proposed annexation area would initially be served by the same station on Eucalyptus Avenue (Also referred to as City Station #13). However the City of Riverside currently has two new stations under construction that, upon completion, would serve the University City neighborhood. Station #14 will be located on Central Avenue, east of Daffodil Drive, approximately 1.1 miles from the annexation boundary. Station #13, will be located in Sycamore Canyon, approximately 2 miles from the annexation boundary. Both stations will be staffed by four person crews, including paramedics. They are set to open in tearly 2007.

The locations of the new stations would result in a significant reduction in the response times to the annexation area. The annexation would not require additional resources. City of Riverside Fire Department states that upon the opening of the new stations, coverage for this area will be a marked improvement for paramedic advanced life support and structure fire rescue response.

## **SCHOOLS**

Moreno Valley Unified District currently serves the area and will continue to do so upon annexation. The proposed annexation will have no effect on school district boundaries.

During a neighborhood meeting held to discuss this annexation, residents expressed an interest in revisiting the current school boundaries. The City of Riverside has offered its assistance on this matter, however this would be up to the Moreno Valley Unified School District, Riverside Unified School District, and the Riverside County Office of Education.

## **PARKS AND RECREATION**

This annexation area is currently under served for public park and recreation facilities. The only County facility within five miles is the undeveloped Box Springs Mountain Reserve, a 1,155 acre reserve.

Riverside Parks and Recreation would assume provision of park and recreation services in the annexed area. There are two City parks in the immediate vicinity of the annexation area. Sycamore Highlands Park, located less than ½ mile away, is an 11.1 acre, fully developed neighborhood park located on Fair Isle Drive. Sycamore Canyon Wilderness Park is a 1,550 acre, open space and nature park with an extensive trail system. Consequently, the annexation area is considered to be very well served by the City of Riverside for local park needs.

As residents of the City of Riverside, University City residents would no longer be required to pay non-resident fees for the many recreational programs and classes offered by the Parks and Recreation Department.

The City of Riverside General Plan calls for three acres of developed parkland per 1,000 residents. With an estimated added population of approximately 541 people, this equates to a need for approximately 1.6 acres of additional parkland.

In addition to the trail facilities at Sycamore Canyon Wilderness Park, a multi-purposed recreational trail segment is planned within this area along the Central Avenue frontage. Ideally, a primary trail could be combined with a wildlife corridor/greenway to pass over/under the 60 Freeway and provide a wildlife



connection between the Box Springs Mountain Preserve and Sycamore Canyon Wilderness Park. This is still being studied.

## **LIBRARY SERVICES**

University City residents currently have access to library facilities operated by the County of Riverside. The closest library facility to University City is the Highgrove Branch (690 W. Center Street) located 6.9 miles away. This is a joint facility with Highgrove Elementary School and is open only four hours a day, four days a week. As such, residents could access the Rubidoux Library (8.1 miles away), the Woodcrest Library (11.1 miles away) or the City of Moreno Valley facility on Sunnymead Boulevard (limited services offered due to its temporary location).

The City of Riverside Library Department has charter responsibility for providing library services to City residents. The proposed City General Plan calls for convenient library service within a three mile travel distance. The Eastside Cybrary (3.3 miles) is just outside this radius. The City Main Branch on Mission Inn Avenue is 5.9 miles away.

The parcels within the boundary, upon annexation, would be subject to the voter approved Library Measure C Facilities Bond Assessment. This is assessed at a rate of \$19 per parcel and will expire in 2012.

## **REVENUE CONSIDERATIONS**

The annexation will be conditioned so that the City may levy or fix and collect all existing City taxes, benefit assessments and property related fees and charges on annexed property. This would result in the annexed property being subject to existing City street light assessments, utility users' taxes, Library Facilities Parcel Tax, and the 2003 General Obligation Fire Facilities Bond, as well as development impact, building and utility fees/charges. With this condition, the voter and landowner approval requirements of the Constitution related to taxes, assessments, fees and charges do not apply. Specific revenue projections as well as cost estimates are discussed in the Economic Analysis, prepared as part of the annexation application packet.

Anticipated Revenues include the following:

**Property Taxes** - The City currently receives approximately 12.3% of the general property tax levy. Existing planned development, significant improvements to structures, or ownership transfers will result in an increase in this amount beyond the 2% annual limit of Proposition 13.

**Property Transfer Taxes** – A fee is charged when title is sold from one owner to another. The rate is \$1.10 per \$1,000 of transferred value.

**Franchise Fees** – Providers of services such as natural gas, cable television, and trash are required to pay a portion of their gross revenues to the City for their negotiated right of exclusivity.

**Fire Facilities Bond** - The voter approved Fire Bond Tax, currently levied at \$9.00 per \$100,000 of assessed valuation, will apply to the parcels in this annexation. This however, will not be additional revenue to the City, as it can only levy the amount needed for debt service, a fixed amount of funds. The

growth of the City through annexation has the affect of slightly lowering the tax rate for all property owners throughout the City as the tax base grows over which to levy the tax.

Street Light Assessment District (SLAD)- The City's SLAD will be applied to all properties. The proposed zoning and usage will result in a rate of \$31.44 per year.

Library Bond - City of Riverside voters approved an annual \$19 per parcel tax to increase Library services for a ten year period. The final year of levy under this authorization will be the 2011/2012 tax year. Through that period, this special tax will be received to specifically supplement the Library operating budget.

Motor Vehicle License Fees/Property Tax Backfill - The City of Riverside has historically received approximately \$15.15 per capita.

Transportation Taxes - The City of Riverside receives approximately \$14.50 per capita of Section 2105 and 2107 gas tax revenue, used for street maintenance and improvements.

General Fund Transfer (GFT) - A portion of the revenue generated by the service provision of utilities is transferred to the City's general fund. Because RPU is not the provider of water, this would only occur at such a time that electric service is assumed by RPU from Edison. Until then, there is no utility GFT.

Utility Users Tax (UUT) - The 6.5% City of Riverside utility users tax is assessed on electric, water, natural gas, telephone and cable television. The UUT does not apply to propane, satellite television, internet service, or cellular telephone.

Sales Tax - No increase in sales tax revenue associated with the residential population is assumed because the City already receives applicable sales taxes based upon their current shopping patterns, which are not anticipated to change due to annexation.

## **SUMMARY AND CONCLUSIONS**

Based on the information in this report, the City of Riverside could provide a level of service to this annexation area equal to or greater than current service levels. Revenue to the City would be generated from fee charges to all development within the annexation, utility tax revenue, general fund transfer, and sales tax revenue, offsetting the cost of providing services. Due to the relatively small size of the annexation area, the cost of providing City services should be significantly offset by anticipated revenues.

**Approved by:**

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BRADLEY J. HUDSON  
City Manager

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Date